

INSTRUCTION NO.
LI 45-20

LI 45-20
LOGISTICS
26 July 1974

SUBJECT: Establishment and Function of the Supply Division Small
Purchases Branch

1. PURPOSE

25X1A

This instruction formalizes the establishment of a Small Purchases Branch (SPB) within the Office of Logistics, Supply Division, [REDACTED] (OL/SD/CD), structure effective 15 August 1974, and provides policy governing the operation of the SPB in support of customer requirements.

2. SCOPE

25X1A

a. The basic function of the SPB will be procurement of low-cost (usually \$200 or less), common [REDACTED] items which will be handled under an imprest fund and outside the formalized Property Procurement Allotment/Property Requisitioning Authority (PPA/PRA) and Financial Property Accountability (FPA) systems.

b. The SPB will not handle, or otherwise accept, requests for:

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(1) Materiel presently available in Agency stocks.

(2) Items peculiar to the Agency.

(3) Items listed in [REDACTED]

(4) Drugs or medicines.

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(5) [REDACTED] requirements.

(6) Spare parts for generators and specialized serialized equipment.

(7) Items requiring technical office research or test and inspection.

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- (8) Items that would not normally be purchased by the General Services Administration (GSA).
- (9) Items requiring more than 30 days to complete action from receipt of the request to shipment.
- (10) Accommodation or reimbursable procurements.

3. GENERAL

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- b. Customer requests may be submitted on a single sheet xeroxed copy of the Form 88 (preferred), by memorandum, letter, dispatch, or cable. Cables and dispatches intended for SPB action must contain the [REDACTED] indicator. Customers will be required to clearly annotate all requisitions, including those forwarded by letter or memorandum, with the legend "FOR SPB--NON FPA." Requisitions must cite the appropriate Financial Account Number (FAN) for the funds to be used. SD will become the OL action component for [REDACTED] vice the Procurement Division, OL, as of 12 August 1974. 25X1A

4. RESPONSIBILITIES AND AUTHORITIES

- a. The Chief, SPB, will be responsible for procurement of materiel within the restrictions as set forth in paragraph 2b above. Purchases will also be limited to items having a unit cost of \$200 or less with a further limitation of \$2,500 per line item or order to a single vendor. Purchases will normally be made only within the Washington metropolitan area. Any exceptions to the \$200 limitation must be approved by the Chief, CD.
- b. The Chief, SPB, will maintain an imprest fund not to exceed \$40,000. Payments for purchases may be made by any of the following methods, as appropriate:

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- (1) By cash, check, or postal money order direct to commercial vendors.
- (2) On a cash basis to a GSA self-service store.
- 25X1C (3) [REDACTED] f
- c. The SPB will obtain receipts and/or other appropriate documentation to support accountings for funds and will account for such funds on a periodic basis in accordance with Office of Finance (OF) instructions and procedures. The accounts submitted will identify each expenditure by customer Document Control Number (DCN) and FAN.
- d. For each delivery or shipment, SPB will insert, in the number one delivery or shipping container, one copy of the appropriate document identifying the transaction which will be stamped "NON FPA" and which will be annotated with the customer's DCN and FAN.
- e. Accountings submitted to OF will have a certification by the OL Approving Officer that this imprest fund is within the scope of paragraph 2b of LI 45-20, and will identify each purchase by customer-cited FAN and DCN. In entering the transaction to the Cash Journal, SPB will cite the DCN in the description column. OF will use "888888" as the obligation reference number and will use Code 3 for recording all expenditures which will obviate the need for budget officers to record these obligations separately and individually.
- f. In the event SPB receives a Headquarters- or field-originated request for materiel it cannot procure or otherwise service, it will notify the Headquarters customer component concerned that the request or line item(s) has (have) been cancelled. The operating component will then be responsible for initiation of the requisition (Form 88) through normal channels to the Supply Division, Central Control and Distribution Branch, for the cancelled item(s), citing PRA in lieu of funds.

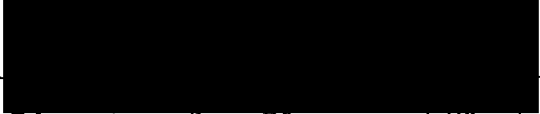
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[REDACTED]
MICHAEL J. MALANICK
Director of Logistics

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Deputy Director for Plans and Systems
Office of Finance

7/23/74
Date

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OFFICE OF FINANCE COMMENTS
CONCERNING PROPOSED OL INSTRUCTION LI 45-20
(Re Small Purchases Branch)

Certification and Liaison Comments:

1. Request instructions provide that the Imprest Fund accountings submitted to C&LD contain a statement signed by the approving officer as follows:

Accountings submitted to OF will not

"This Imprest Fund accounting is within the scope of paragraph 2b of LI 45-20."

Reason: To facilitate certification of the account as C&LD is not in a position to verify that all the exclusions for usage of the funds have been met.

2. Subparagraph 4e should be restated because reference to the Obligation States Report (OSR) in connection with processing the accounting appears to be incorrect as the OSR is an output of the computer system and not used during the input cycle. Recommend paragraph 4e be worded as follows:

substitute for 4e
Accountings submitted to OF will identify each purchase by customer-cited FAN and DCN. In entering the transaction to the Cash Journal, SPB will cite the DCN in the description column. OF will use "888888" as the obligation reference number and will use Code 3 for recording all expenditures which will obviate the need for budget officers to record these obligations separately and individually.

Note: The cash journal referred to above is Form 2773, Cash Journal - Special, which was used for the former GSA/SPU Imprest Fund. Transactions are key punched directly from Form 2773.

~~THE~~

HE ACCOUNTINGS SUBMITTED TO OF ~~THE~~ WILL

~~BE~~ ~~CONFIRM~~ ~~THAT~~ ~~THE~~ ~~OFFICIAL~~ ~~OFFICERS~~ ~~HAVE~~ A CERTIFICATION ~~BY~~ THE OL APPROVING

OFFICER MADE ~~THE~~ ~~CONFIRM~~ THAT THIS

IMPREST FUND IS WITHIN THE SCOPE OF

PARAGRAPH 26 OF LI 45-20, AND ~~BE~~ ~~WILL~~

~~IDENTIFY~~ ~~ACCOUNTINGS~~ ~~TO~~ ~~THE~~ WILL

IDENTIFY ~~THE~~ EACH PURCHASE BY

CUSTOMER-CITED FAN AND DON.

DRAFT

Approved For Release 2000/05/08 : CIA-RDP78-05399A000100010037-5

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~~12 August~~ 1974

26 ~~77~~ JULY

SUBJECT: Establishment and Function of the Supply Division Small
Purchases Branch

1. PURPOSE

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This instruction formalizes the establishment of a Small Purchases Branch (SPB) within the ^{Office of Logistics} Supply Division, (SD) [REDACTED] structure effective 15 August 1974, and provides policy governing the operation of the SPB in support of customer requirements.

2. SCOPE

- a. The basic function of the SPB will be procurement of low-cost (usually \$200 or less), common [REDACTED] items which will be handled under an imprest fund and outside the formalized Property Procurement Allotment/Property Requisitioning Authority (PPA/PRA) and Financial Property Accountability (FPA) systems. 25X1A
- b. The SPB will not handle, or otherwise accept, requests for:
- (1) Materiel presently available in Agency stocks.
 - (2) Items peculiar to the Agency.
 - (3) Items listed in [REDACTED]
 - (4) Drugs or medicines.
 - (5) [REDACTED] requirements.

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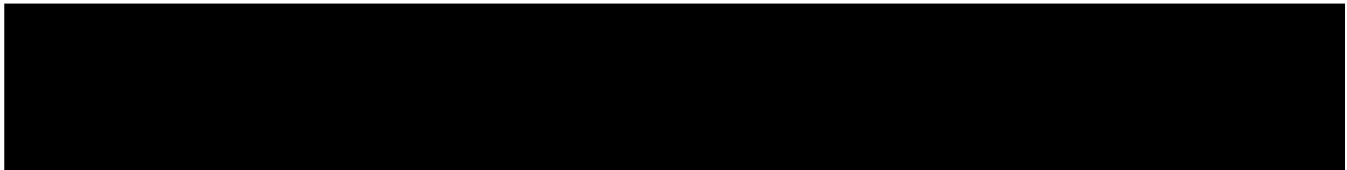
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- (6) Spare parts for generators and specialized serialized equipment.
- (7) Items requiring technical office research or test and inspection.
- (8) Items that would not normally be purchased by *the General* (GSA).
- (9) Items requiring more than 30 days to complete action from receipt of the request to shipment.
- (10) Accommodation or reimbursable procurements.

3. GENERAL

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- b. Customer requests may be submitted on a single sheet xeroxed copy of the Form 88 (preferred), by memorandum, letter, dispatch, or cable. Cables and dispatches intended for SPB action must contain the [REDACTED] indicator. Customers will be required to clearly annotate all requisitions, including those forwarded by letter or memorandum, with the legend "FOR SPB, NON FPA." Requisitions must cite the appropriate Financial Account Number (FAN) for the funds to be used. SD will become the Office of Logistics action component for [REDACTED] vice the Procurement Division, ⁶² as of 12 August 1974.

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4. RESPONSIBILITIES AND AUTHORITIES

- a. The Chief, SPB, will be responsible for procurement of materiel within the restrictions as set forth in paragraph 2^(b) above. Purchases will also be limited to items having a unit cost of \$200 or less with a further limitation of \$2,500 per line item or order to a single vendor. Purchases will normally be made only within the Washington metropolitan area. Any exceptions to the \$200 limitation must be approved by the Chief, CD.
- b. The Chief, SPB, will maintain an imprest fund not to exceed \$40,000. Payments for purchases may be made by any of the following methods, as appropriate:
- (1) By cash, check, or postal money order direct to commercial vendors.
 - (2) On a cash basis to a GSA self-service store.
 - (3)

25X1C

- c. The SPB will obtain receipts and/or other appropriate documentation to support accountings for funds and will account for such funds on a periodic basis in accordance with Office of Finance ⁽⁰⁸⁾ instructions and procedures. The accountings submitted will identify each expenditure by customer, ^{from Central Area} (DCN) and FAN.

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- d. For each delivery or shipment, SPB will insert, in the number one delivery or shipping container, one copy of the appropriate document identifying the transaction which will be stamped "NON FPA" and which will be annotated with the customer's DCN and FAN.
- e. Accountings submitted to ~~Office of Finance (OF)~~ will identify each purchase by customer-cited FAN and DCN. In recording the expenditure, OF will cite the DCN in the description column of the Obligation Status Report (OSR) and will use "888888" as the obligation reference number. OF will record all expenditures by use of code 3 which will obviate the need for budget officers to record these obligations separately and individually.
- f. In the event SPB receives a Headquarters- or field-originated request for materiel it cannot procure or otherwise service, it will notify the Headquarters customer component concerned that the request or line item(s) has ^(have) been cancelled. The ~~Operating~~ Component will then be responsible for initiation of requisition (Form 88) through normal channels to the Supply Division, Central Control and Distribution Branch, for the cancelled item(s), citing PRA in lieu of funds.

MICHAEL J. MALANICK
Director of Logistics

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[REDACTED]
Deputy Director for Plans and Systems
Office of Finance

Date

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